

WAGE & HOUR ADMINISTRATION

**I.
PURPOSE**

To establish a wage and hour administration policy in compliance with the Fair Labor Standards Act (FLSA).

**II.
LEGAL REQUIREMENTS**

1. Exempt Employees

Exempt status is based on the duties and responsibilities of an individual position, the required educational level and the salary received. Exempt employees are not entitled to overtime pay or compensatory time.

Exempt employees are those who are not covered by applicable wage and hour laws. Exempt employees are expected to put in the hours necessary to complete their assignments in a timely and quality basis.

2. Non-Exempt Employees

Nonexempt employees are paid on an hourly basis and are entitled to overtime pay at one and one-half times their "regular hourly rate" for any hours they work in excess of 40 hours during the workweek. Regular hourly rate is defined as the calculated average hourly rate for that pay period. For example, the regular hourly rate must include shift differentials, "on call" pay and multiple rates of pay, if applicable.

**III.
WORK SCHEDULES**

The normal work schedule for most City employees is 8 hours a day, 5 days a week. Supervisors will advise employees of the times their schedules will normally begin and end. Employee needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Flexible scheduling, or flextime, is available in some cases to allow employees to vary their starting and ending times each day within established limits. Flextime may be approved if a mutually workable schedule can be negotiated with the supervisor involved. However, such issues as employee staffing needs, the employee's performance, and the nature of the job will be considered before approval of flextime.

1. Reporting Time Worked

It is the responsibility of each employee to sign his or her time card/sheet each pay period to certify the accuracy of all time recorded, including overtime. The supervisor will review and initial the time record before submitting it for processing. If corrections or modifications need to be made to the employee's time record, both the employee and the supervisor must verify the accuracy of the changes and initial the time record. Altering, falsifying, tampering with

WAGE & HOUR ADMINISTRATION

time records, or recording another employee in or out will likely result in immediate disciplinary action, up to and including termination of employment.

**IV.
PAYDAYS**

All employees are paid biweekly. Each paycheck will normally include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a holiday, employees will normally receive pay on the last day of work before the regularly scheduled payday.

If a payday falls during an employee's vacation, the employee's paycheck will be available as per department guidelines. Employees will receive an itemized statement of wages when the City makes direct deposits.

1. Payroll Deductions

In addition to their paycheck, employees will receive a statement showing gross pay, deductions and net pay. Some payroll deductions are required by law, *e.g.*, federal income tax withholding, Social Security (FICA), and court ordered child support. Employees may elect to have certain other deductions made from their pay (*e.g.*, insurance premiums) if they authorize the deductions in writing. Deductions other than those specifically authorized by the Manager are not permitted.

In the unlikely event that there is an error in the amount of a deduction, or any other payroll error, the employee should let his/her supervisor know as soon as possible. At the end of each calendar year, employees will be given a Wage and Tax Statement Form (W-2). This statement summarizes income and deductions for the year.

**V.
OVERTIME**

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. All overtime work must receive the appropriate supervisor's prior authorization.

1. Eligibility

Overtime pay or compensatory time will be paid to non-exempt employees for each overtime hour worked.

2. Non-Exempt Positions

Overtime pay is based on **actual** hours worked. This means that time off on sick leave, vacation leave, or any other absence, whether paid or unpaid, will not be considered hours worked for purposes of performing overtime calculations.

Overtime will be paid at the rate of one and one-half (1.5) times the employee's regular hourly rate. Compensatory time

WAGE & HOUR ADMINISTRATION

will be credited at the rate of one and one-half hour (1.5) per overtime hour worked.

3. Accumulation

Non-exempt employee will be allowed to accumulate up to 80 hours of compensatory time, unless a lower maximum is set by department policy, based on operational demands. Once a non-exempt employee has reached his/her accrual cap, any overtime worked will be paid for in cash rather than in compensatory time accrual.

4. Payment upon termination

Non-exempt employees will be paid for accumulated, unused compensatory time upon termination, regardless of the reason for termination.

5. Record keeping

Department Directors are responsible for accurate recording of compensatory time in the payroll system for their non-exempt employees.

6. Prior Authorization Required Before Working Overtime

All nonexempt employees must receive the appropriate supervisor's **prior** authorization **before** performing any overtime work. This means employees may not begin work prior to the start of their scheduled work day, and may not continue working beyond the end of the their scheduled workday, without prior authorization from the appro-

priate supervisor. Similarly, employees may not work through their lunch break without prior authorization from the appropriate supervisor. On the employee's time card/sheet, the appropriate supervisor must also approve any overtime before the time card/sheet is submitted for processing and payment. Nonexempt employees who work overtime without receiving proper authorization will be subject to disciplinary action, up to and including possible termination of employment.

Overtime is budgeted annually. The City Manager must approve all overtime that exceeds a department's budgeted amount.

7. Use of Accrued Compensatory Time

Employees requesting use of compensatory time will be allowed to take the compensatory time within a reasonable period after making the request. If use of requested compensatory time would be disruptive, the Department Director may elect to pay the employee in lieu of approving the requested time off. In fact, the City may, at any time, elect to pay an employee for any or all of the employee's accrued compensatory time. The City may also require employees to take time off in order to reduce their accrued compensatory time.

**VI.
MEAL/BREAK PERIODS**

WAGE & HOUR ADMINISTRATION

A 30-minute to 1-hour allowance for meal breaks is customarily granted to regular full-time employees. This meal period is not considered work time if employees are completely relieved of their work duties.

If employees must continue their work duties through the meal or break period, this work time must be approved in advance by a supervisor and recorded as work time. Approved break periods of 20 minutes or less will be considered hours worked.

**VII.
ON-CALL DUTY**

On-call assignments are typically not compensable if:

- ◆ Employees can be contacted by a pager or telephone; and
- ◆ Have free (personal) use of the time while waiting for an assignment.

1. Eligibility

Non-exempt employees designated by their supervisors as scheduled to serve on-call for a specific period of time.

2. Minimum Callback Time

Non-exempt employees called back to work after their shift has ended, will be paid for one hour at their regular rate of pay or for the actual time worked, whichever is greater. Time worked immediately after regularly scheduled working hours at the request or approval of the supervisor will not be considered call-back and will

be paid at the regular rate of pay until overtime requirements are met.

Employees exempt from overtime are not eligible for compensation under the provisions of this policy.

The City provides for after-hours service needs when required by allowing some departmental operations to designate nonexempt employees to be on-call. Certain exempt personnel may also be designated as on-call. Employees designated to be on-call are expected to respond to departmental after-hour service needs as required by procedures established by each Department where on-call personnel are utilized. Exempt employees are not entitled to extra compensation for on-call or call-back time.

Return to work provisions- When an employee is designated to be available for on-call and subject to call back, he/she is free to pursue personal activities but may be required to respond to call back (via paging, phone, or radio) within designated guidelines set by the Department. This on-call status is not considered time worked and is not compensable unless the employee responds to a call back. All employees designated to be on-call are expected to be fit (mentally and physically) to accomplish services needed within the time frame required. An employee is considered on-call only when approved by his/her supervisor in accor-

WAGE & HOUR ADMINISTRATION

dance with procedures established by his/her department.

Departments may establish guidelines for varying levels of response to call-back situations depending upon the nature and importance of services to be completed.

**VIII.
TRAVEL TIME**

Travel time during regular work hours is compensable for non-exempt employees. Travel time, which is outside of regular working hours, is not compensable, unless the employee is performing work approved by supervisor.

**IX.
TIMEKEEPING**

Federal and State laws require the City to keep an accurate record of the time worked by all nonexempt employees. Accordingly, accurately recording time worked is the responsibility of every nonexempt employee. Time worked is all the time actually spent on the job performing assigned duties. Nonexempt employees must accurately record the time they begin and end their workday, as well as the beginning and ending time of each meal period. Nonexempt employees may not begin working prior to their scheduled start time without prior approval from their supervisor. They must also record the beginning and ending time of any split shift, break or departure from work for personal reasons. Overtime work must **always** be approved **before** it is performed.

It is the employee's responsibility to sign his or her time sheet each pay period to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. If corrections or modifications need to be made to the time record, both the employee and the supervisor must verify the accuracy of the changes and initial the time record. Altering, falsifying, tampering with time records, or recording another employee in or out will likely result in immediate disciplinary action, up to and including termination of employment.

**X.
APPENDIX**

A. Wage Deduction Authorization Agreement

**CITY OF HARLINGEN
WAGE DEDUCTION AUTHORIZATION AGREEMENT**

I _____ understand and agree that my employer, the City of Harlingen, may deduct money from my pay from time to time for reasons that fall into the following categories:

1. My share of the premiums for the City's group medical plan;
2. Any contributions I may make into a retirement or pension plan sponsored, controlled or managed by the City of Harlingen;
3. If I receive an overpayment of wages for any reason, repayment of such overpayments to the City;
4. The cost to the City of personal long distance calls I may make on the City's phones or on the City's accounts, of personal faxes sent by me using the City's equipment or the City's accounts, or of non work-related access to the Internet or other computer networks by me using the City's equipment or accounts;
5. The cost of repairing or replacing any of the City's supplies, materials, equipment, money or other property that I may damage (other than normal wear and tear), lose, fail to return or take without appropriate authorization from the City during my employment;
6. The cost of uniforms and/or of cleaning the uniforms; and
7. If I take paid vacation or sick leave in advance of the date I would normally be entitled to it and I separate from the City before accruing time to cover such advance leave, the value of such leave taken in advance that is not so covered;

I agree that the City of Harlingen may deduct money from my pay under the above circumstances or any other situations which result in me owing money to the City.

Employee Signature

City Representative

Date

Date